



I-08-013

Contract # 4860
(obtain from City Clerk)

CONTRACT REVIEW AND APPROVAL ROUTING FORM

INSTRUCTIONS:

1. First time original contracts

- Contact City Clerk's Office for Contract Number
- One copy of the Contract Routing Form
- Two original contract documents

2. Amendments/Change Orders

- Contact City Clerk's Office for a NEW Contract Number
- One copy of the Contract Routing Form
- Two original amendments/change orders
- One copy of the original contract

JUL 08 2008
CITY CLERK
CITY OF SHORELINE

CONTRACT DESCRIPTION

Originator: Kris Overleese Routed by: Catherine Lander x-2415
Department/Division: Public Works Date: July 1, 2008

Type of Contract: ☐ (A) Addendum/Change Order ☐ (W) Public Works ☐ (O) Other
☐ (GR) Grants ☐ (S) Purchase of Services
☐ (L) Lease Agreement ☒ (I) Intergov't Agreement

CONTRACT TITLE: City of Seattle and the City of Shoreline Agreement Regarding the Aurora Avenue North Electric Utility Undergrounding Project

Brief Description of Services: Agreement to outline the design and construction protocol, payment structure, and liabilities for the undergrounding of Seattle City Light's electric utility as part of the Aurora Corridor Improvement Project (N 165th Street to N 205th Street)

Contract Modification: Has the original contract boilerplate language been modified? ☒ Yes ☐ No

If yes, list which sections have been modified: This agreement does not use a standard boilerplate.

Bid/RFP Number: N/A
Name of Consultant/Contractor: Seattle City Light
Effective Date: upon execution Termination Date: N/A (see Remarks below)

Total Amount of Contract (including reimbursable expenses): N/A (see Remarks below)
Org Key - Obj Number: TBD Amount: J/L Number (if required): TBD

Budget: Are there sufficient funds in the current budget to cover this contract? ☒ Yes ☐ No

If no, where are the additional funds coming from?

Payment Terms (monthly installments, progress payments, etc.): monthly

Remarks: This agreement creates protocol for the reimbursement of design and construction costs to install underground utilities for Seattle City Light (SCL) as part of the Aurora Corridor Project. Construction costs will not be determined until after bid opening. SCL will be invoiced for their costs throughout the project on a monthly basis. SCL will re-coup costs over a 25 year period through an incremental increase in rates from Shoreline rate payers only. Budget numbers for reimbursements invoiced to SCL will be determined at a later date.

SIGNATURE ROUTING

- | | |
|--|---|
| <input checked="" type="checkbox"/> 1. Project Manager/Director | <input type="checkbox"/> 6. City Council approval (if required) |
| <input checked="" type="checkbox"/> 2. Risk Management/Budget | <input type="checkbox"/> 7. City Manager |
| <input checked="" type="checkbox"/> 3. City Attorney | <input checked="" type="checkbox"/> 8. City Clerk |
| <input type="checkbox"/> 4. Send to Consultant for signature (only contract documents) | <input checked="" type="checkbox"/> 9. Originating Department |
| <input checked="" type="checkbox"/> 5. Department Director | |

PRIOR TO EXECUTION - MUST BE ATTACHED

For Public/Small Works Contracts:

- ☐ Contractor Responsibility Form ☐ W-9 Form
☐ Contract Bond/In Lieu of Form
☐ Certificate of Insurance

For Service Contracts:

- ☐ Certificate of Insurance
☐ W-9 Form



Memorandum

DATE: July 1, 2008

TO: Mark Relph, Public Works Director

VIA: Kirk McKinley, Aurora & Interurban Program Manager *K.M.*

FROM: Kris Overleese, Capital Projects Manager *KO*

RE: Aurora Corridor Improvement Project
Seattle City Light Agreement for Undergrounding (City contract #4860)

Agency Name and Project:

Seattle City Light - Aurora Corridor Improvement Project (N 165th Street to N 205th Street)

Background:

Shoreline Ordinance No. 187 requires the undergrounding of utilities as part of the Aurora Corridor Improvement Project. Staff have been working with Seattle City Light for the past several months to develop an agreement that will govern the electrical undergrounding design and construction of the Aurora Corridor Project (N 165th to N 185th Street). The agreement also covers design for the N 185th to N 205th Street segment.

Scope of Agreement:

The agreement outlines design and construction protocol, payment structure, and liabilities for the undergrounding of Seattle City Light's electric utility. The agreement does not address property rights needed for the Aurora Corridor Improvement Project.

Selection Process:

N/A

Financial Impact:

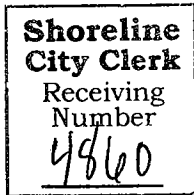
The agreement does not have a specific dollar amount. The general financial principle for undergrounding of the electrical system is that City Light finances the design and construction of their underground system. City Light reimburses Shoreline for electrical undergrounding design costs. City light reimburses Shoreline for certain construction costs: proportional share of the joint trench, traffic control, mobilization, and construction management. The agreement also outlines how Seattle City Light will pay off the project over a 25 year period through an incremental increase in rates from Shoreline rate payers only. The electrical undergrounding is estimated to cost \$10,000,000.

Council Review:

The agreement does not need Council approval.

Schedule:

Shoreline design for the N 165th to N 185th Street segment has passed the 30% milestone and Seattle City Light has been involved in the design process. Design at the 60% level is anticipated for September 2008. City Light continues to work on design of their system.



June 26, 2008

**City of Seattle and the City of Shoreline Agreement
Regarding the Aurora Avenue North Electric Utility Undergrounding Project**

This Agreement between the City of Seattle by and through its City Light Department ("City Light") and the City of Shoreline ("Shoreline") sets forth the terms and working guidelines for the design and construction of an underground electrical distribution system in the Aurora Avenue North corridor from N 165th Street to N 185th Street, and the design for an underground electrical distribution system in the same corridor from N 185th to 205th.

Sect. 1 GENERAL PRINCIPLES AND DEFINITIONS

- 1.1 As part of the parties' current franchise agreement, City of Shoreline Ordinance No. 187 Section 7 (the "Franchise"), City Light agrees to comply with Shoreline Ordinance No. 82 Establishing Minimum Requirements and Procedures for the Underground Installation of Electric and Communication Facilities within Shoreline (Shoreline Municipal Code Chapter 13.20).
- 1.2 The Shoreline City Council has authorized the Aurora Corridor 165th-205th Project in a commercially zoned Project area that will disturb existing aerial facilities of City Light and facilitate a joint trench for aerial utilities under Shoreline Municipal Code 13.20.050 (A) (1), thereby requiring conversion of City Light aerial facilities in the Project area.
- 1.3 By this agreement the parties intend to supplement franchise provisions with a detailed process for cooperation and coordination in design, estimation, scheduling and construction of the electrical conversion to complete the conversion in the most efficient manner. This agreement is not intended to amend the Franchise, and in the event that this Agreement conflicts with the Franchise, the Franchise will govern to the extent necessary to resolve the conflict.
- 1.4 Shoreline is in the process of designing and constructing improvements in the Aurora Avenue North area (and transitions along sidestreets) between N 165th Street and N 205th Street. Shoreline will install new sidewalks and travel lanes requiring City Light to relocate certain utilities per Shoreline's Ordinance No. 187 and the franchise agreement between the parties.
- 1.5 At Shoreline's expense, City Light agrees to maintain and operate the Street and Pedestrian Lighting System, provided that the lights and poles Shoreline selects for installation are those routinely included in City Light's inventory. If, however, Shoreline selects lights and poles that are not a part of City Light's normal inventory, City Light agrees to perform maintenance labor if and only if Shoreline agrees to purchase, store and make readily available to City Light the necessary parts and supplies required by such non-standard lights and poles.
- 1.6 The parties have entered into a Shoreline Interurban Trail Memorandum of Agreement controlling Shoreline's use of a transmission right of way owned by City Light. It is not the intent of the parties to modify that Agreement and to the extent the Interurban Trail Memorandum conflicts with this Agreement, the Interurban Trail Memorandum will control except in the case of any issues related to design, location or access to any existing or proposed City Light infrastructure.

- 1.7 As used herein, the following terms shall have the following meanings:
- 1.7.1 **"Civil Infrastructure"** means any and all underground infrastructure necessary to contain and facilitate City Light's electrical distribution system, including but not limited to trenches, conduit, handholes, vaults, casing... etc.
- 1.7.2 **"Electric Distribution"** 26kv electrical system and service connections off those feeders.
- 1.7.3 **"Project"** means the design and construction of an underground electrical distribution system in the Aurora Avenue North corridor in Shoreline, Washington from N. 165th Street to N. 185th Street and the design of an electrical distribution system from N. 185th Street to N. 205th Street.

Sect. 2 DESIGN DEVELOPMENT & REVIEW (CIVIL & ELECTRIC)

- 2.1 City Light shall provide the preliminary design for the Project showing the basic layout of the Civil Infrastructure, including the conduit and vault layout, conduit duct details, vaults and handholes details, engineering specifications for the material, including all the applicable City Light engineering guidelines. To complete this, Shoreline will provide base maps to City Light showing Shoreline's early design layout.
- 2.2 Upon execution of this agreement, City Light will furnish Shoreline with a list of "renters" who have facilities on City Light's poles. Shoreline shall be responsible for communicating the need to relocate to each renter, and coordinating with each renter for the design of underground facilities. Shoreline will be responsible for ensuring that all underground facilities meet the renter's needs and for coordinating all tasks necessary to relocate the renter's facilities underground.
- 2.3 Utilizing City Light's preliminary design and subject to City's Light's approval as further discussed herein, Shoreline is responsible for the work necessary to complete the Civil Infrastructure design and construction of the electrical conversion Civil Infrastructure. City light will be responsible for the detailed electric design of the electrical conversion and the electrical work required after the completion of the Civil Infrastructure work.
- 2.4 City Light's Electric Distribution system will be placed underground. In general, City Light governs all aspects in electrical & civil design of City Light infrastructure. Above ground infrastructure approved as exceptions allowed in Shoreline Municipal Code section 13.20 is subject to coordination with Shoreline. Shoreline agrees that the proposed underground system must meet City Light's current (as of the start of design) engineering and operations practices and the proposed underground system will be constructed in compliance with City Light's Construction Guidelines using materials approved by City Light Material Standards which shall be provided to Shoreline upon notice to City Light that Shoreline is commencing work of 30% design.
- 2.5 Design Review Process: Each of the following levels of design completion will be coordinated for each agency review. In general, City Light will submit their electrical design work two weeks prior to Shoreline's schedule 30%, 60%, 90% and 100% plan/specification and estimate distribution. Each party shall submit clear and complete cost estimates, design drawings, specifications, and the necessary

supplemental information such as field reconnaissance studies and calculations, commensurate with the design levels defined below.

- A. 30%-Level Progress Submittal: A submittal that presents the basic concept of the Project, including advanced detail on route alignment; existing utilities and proposed major utility line re-locations; structure types, sizes and locations; new and proposed right-of-way limits; extent of roadway modifications; and other supporting concepts to define the intent of the Project.
 - B. 60%-Level Agency Review Submittal: A submittal that sufficiently illustrates the entire scope of the work under design so that all parties can provide a meaningful evaluation and review. This submittal is intended to ensure that new, never before seen items of significance do not appear for the first time in the 90%-Level Agency Review comments. Only small or minimal changes will be expected from 30% design to 60% by all parties. In the event of major design change by either party, both agencies will work together to determine if revisions are acceptable. Each party will have all 30% review comments addressed and “clouded” on 60% submittal and addressed in a response letter. Shoreline intends to purchase property for the project to the back of sidewalk, but does not intend to secure private property rights for underground infrastructure lid opening. At this milestone, City Light will identify any property purchase/easements needed behind the back of sidewalk, and Shoreline will obtain any property rights or easements SCL requires for installation and maintenance of its relocated Electric Distribution system.
 - C. 90%- and 100%-Level Agency Review Submittals: These submittals shall include drawings, special provisions, supplemental technical specifications, geotechnical reports, and calculations that are essentially complete with only items of insignificance needing detailing or checking. All calculations shall be completed and checked in accordance with established quality control procedures. Drawings shall be nearly complete for bidding purposes and shall have incorporated or resolved all comments made during previous design reviews. Unresolved comments shall be identified and addressed to the satisfaction of both parties. Only small or minimal changes would be expected from 60% design to 90% from all parties. In the event of major design change by either party, both agencies will work together to determine if revisions are acceptable. Each party will have all comments from 60% review addressed and “clouded” on 90% submittal and addressed in a response letter.
 - D. Final Submittal: This submittal shall have addressed all issues to each party's satisfaction.
- 2.6 Shoreline shall maintain and provide City Light a project schedule that includes submittals. The submittal schedule shall be updated to reflect changes in Shoreline's submittal projections and other project items. Shoreline will provide City Light with schedule modifications in a timely manner. Design Review submittals will be made in a manner that allows each party an adequate review period.

- 2.7 Submittals will be in hard copy (two 24" by 36" and three half size scaleable sets) & digital form (AutoCAD 2006 and submitted on CD).
- 2.8 Submittal Circulation: Upon incorporation of City Light design work at each submittal milestone, Shoreline will circulate design review materials to City Light as follows:
- A. Design Review: Each party recognizes that the incompleteness or insufficiency of any submittal may result in delaying the completion of the design. To quickly correct incomplete submittals, each party shall notify the other as soon as practicable in writing with enough detail to explain the deficiency to be corrected.
 - B. Review of Shoreline's submittals will be completed within 20 working days, provided that Shoreline will coordinate and negotiate with City Light regarding the schedule for reviewing submittals in situations where more than one package is received at the same time. Working days are all days except Saturdays, Sundays and official City of Seattle holidays. City Light will coordinate with Shoreline at each submittal if additional review/comment time is needed.
 - C. Each agency must address and respond to every written comment in writing. Responses shall be provided a minimum of 3 days before comment resolution meetings.
- 2.9 Upon completing the review of the 100% plan set and the resolution of any remaining issues, City Light shall approve in writing the cost estimates and sign off on the drawings. Shoreline agrees that it will neither commence construction nor request construction bids until City Light approves in writing the 100% plans, specifications and estimates.
- 2.10 Shoreline acknowledges and agrees that any approvals given by City Light during the design of this Project are for City Light Purposes only, and such approvals shall not in any way relieve Shoreline's responsibilities for ensuring compatibility with the infrastructure and systems used by renters and other users of the Civil Infrastructure. Shoreline is responsible for complying with all applicable local, state and federal laws, codes, regulations and/or permitting requirements.

Sect. 3 Cost Estimates, Contractor Selection & Construction Schedule

- 3.1 Estimates: Shoreline shall have primary responsibility for developing cost estimates for Civil Infrastructure. City Light shall have primary responsibility for developing cost estimates for the electrical distribution system. The estimate for electrical construction, prepared by City Light, shall include a base level of planned overtime not to exceed the amount typically required for projects such as this and an unplanned overtime risk contingency. Shoreline and City Light shall consult each other and achieve a consensus regarding the estimates.
- 3.2 Overtime

- A. Planned Overtime: The estimate for electrical construction, prepared by City Light, shall include a base level of planned overtime typically required for projects such as this.
 - B. Unplanned Overtime: The estimate for electrical construction, prepared by City Light, shall include an unplanned overtime risk contingency. City Light will coordinate with Shoreline to assign an unplanned overtime risk contingency factor, but City Light will not be responsible for variances from that factor.
- 3.3 Bid Process: Shoreline agrees to coordinate the bid approval process with City Light. The Civil Infrastructure work will be advertised as a separate schedule but will be included in the basis for award. Shoreline will provide an itemized unit cost breakdown schedule for Civil Infrastructure work to be completed in order to the relocate City Light's Electric Distribution system and to facilitate City Light's civil & electrical installation work. Shoreline will provide City Light with bid tabs. City Light will provide comments to Shoreline within 5 working days of receipt of the bid tabs.
- 3.4 City Light and Shoreline will mutually agree on a tentative schedule identifying key milestones for City Light civil and electrical work within 30 days from the notice to proceed. Milestones will include completion and acceptance of Civil Infrastructure, energizing new underground circuits, customer service cutovers, and removal of overhead power lines. City Light will provide input to Shoreline to develop and maintain a project master schedule.
- 3.5 City Light's most efficient sequencing for overhead to underground conversion projects such as this is to begin electrical work only after all Civil Infrastructure construction is completed and accepted. Divergence from this basic sequence can cause delays and costs which can be difficult to forecast. Accordingly, Shoreline agrees that all Civil Infrastructure shall be completed prior to any obligation for City Light to commence its electrical work. City Light will endeavor to plan to remove overhead power lines and City Light poles within **90** working days of their acceptance of Civil Infrastructure; acceptance in spring would typically allow more rapid completion of work during favorable spring and summer weather, acceptance in fall would typically lead to a somewhat less rapid completion of work due to less favorable fall and winter weather. City Light may, at its sole discretion, decide to accept portions of the Civil Infrastructure and begin electrical construction prior to the completion of the entire Civil Infrastructure, provided that any agreement to perform electrical work prior to completion of the Civil Infrastructure shall not act as a waiver by City Light of the requirement that Shoreline complete the entire Civil Infrastructure work prior to City Light's obligation to begin electrical work.
- 3.6 Shoreline understands and agrees that City Light may have to redirect its crew resources during construction of the Project in order to respond to electrical system and weather related problems and/or emergencies for existing customers. City Light agrees to notify the Shoreline project manager if and when City Light crews are removed from the Project and both parties agree to coordinate and minimize impacts to the overall project schedule. Shoreline hereby releases the City of Seattle and City Light from any claims, liabilities, and costs arising from delay to the Project to the extent such delay is the result of forces of nature, weather related emergency, or circumstances not within City Light's reasonable control.

Additionally, Shoreline will indemnify, defend and hold the City of Seattle and City Light harmless from any delay claims from Shoreline's contractors on the Project to the extent the delays arise from forces of nature, weather related emergency, or circumstances not within City Light's control.

- 3.7 On a bi-monthly basis, Shoreline's Contractor will submit an updated and revised schedule to Shoreline in digital format for review. Shoreline will transmit that schedule to City Light for review and comment.
- 3.8 Design Revisions, Change Orders: Each party will immediately notify the other party in writing of any potential design revisions and/or change orders affecting the other's facilities and ensure that each party reviews and approves those change orders. All change orders that involve the electrical distribution system or supporting infrastructure require notification and approval to and acknowledgement of both parties. Any costs associated with work completed out of the mutually approved Project contractual scope without a City Light approval via a written change order will be Shoreline's sole responsibility. All changes to City Light facilities directed and approved onsite by the City Light inspector or City Light representative shall be reimbursable to Shoreline.
- 3.9 Each party agrees to endeavor to review and respond to design revisions and/or change order submittals within five (5) working days unless additional information is required to make a determination of the effect on City Light facilities and services or Shoreline's district improvements.
- 3.10 City Light's project manager will immediately notify Shoreline in writing of any requests for change orders affecting City Light facilities and ensure that Shoreline reviews and approves those change orders.
- 3.11 Shoreline's project manager will immediately notify City Light in writing of any requests for change orders affecting City Light facilities and ensure that City Light reviews and approves those change orders.

Sect. 4 Staffing

Main project contacts will be as follows as of execution of this Agreement:

City of Shoreline
Kris Overleese, P.E.
Capital Projects Manager
17544 Midvale Avenue N
Shoreline, WA 98133
(206) 546-0791
Cell: (206) 571-2389

City Light
Greg Stamatiou
Sr. Project Manager
700 5th Ave – Suite 3200, Rm 3454
Seattle, WA 98124
(206) 684-3232

Sect. 5 Construction

- 5.1 Civil: Shoreline will construct all City Light and Private Property Civil Infrastructure required to complete the Project. Shoreline shall comply with all applicable laws, codes and regulations during the construction of the Civil Infrastructure. City Light will not be responsible for doing any electrical or civil underground work on private

property, except that City Light will connect the service to the appropriate structure provided by Shoreline on behalf of City Light customers. . Shoreline shall coordinate each service cutover work with the City Light electric service representative, Ian Cooper or other appropriate City Light representative at 206.684.4983, 5 working days in advance of the cutover.

- 5.2 City Light will remove the overhead electrical distribution system (high voltage wires, low voltage wires, transformers), and service drops after all services are transferred to the new underground system. City Light shall remove any streetlights on City Light owned poles and return them to inventory as part of the OH removal process, unless the streetlights are currently owned by Shoreline. Shoreline shall be responsible for removing any streetlights owned by Shoreline.
- 5.3 Shoreline agrees that hard surface removal and restoration not related to the Electrical Conversion will not be a cost of the Electrical Conversion as Shoreline is re-paving, resurfacing and installing new sidewalk as a component of Shoreline's Project improvements.
- 5.4 Shoreline will be responsible for notifying each respective utility when their infrastructure is complete and ready for inspection. Shoreline or its contractor may remove any poles solely owned by City Light after City Light has removed its lines and equipment. In the event of joint ownership of the pole, Shoreline shall communicate with the telecommunication provider about the removal of any jointly owned poles. In the event that the telecommunication company fails to remove any jointly owned poles, Shoreline or its contractor will endeavor to remove the poles after all communications companies have completed their wiring, service connections, and removed their lines and equipment from the poles.
- 5.5 Inspection: Shoreline agrees that contractor employed by Shoreline will comply with the City Light requirements in accordance with the plans and specifications approved by City Light. Shoreline will be responsible for notifying City Light when its infrastructure is complete and ready for inspection. City Light Inspectors will have the right to inspect all City Light infrastructure and have the authority to reject all Shoreline work that does not meet the approved design and/or City Light standards and specifications.
 - A. Shoreline and City Light agree that although the Shoreline construction inspector is not responsible for primary inspection of City Light facilities, both Cities' inspectors and project managers will work cooperatively to endeavor to bring the Project to completion on schedule and within budget.
 - B. In the event of an inspection or quality disagreement, the Shoreline representative and City Light's North Distribution Design Manager, or such person subsequently designated by City Light will be notified immediately for resolution. City Light shall have final resolution authority over any decision affecting its facilities and resolution of the disagreement shall be documented in written form (letter, memo, email) between Shoreline and City Light.
- 5.6 City Light's project manager and inspector will attend weekly construction meetings.

- 5.7 Street Lighting and Signals: City Light will select service points for the Street and Pedestrian Lighting System as well as traffic signals designed by Shoreline's consultants. City Light will install wiring between their power source and the service points and make final connections to energize the systems.
- 5.8 Shoreline and City Light will agree during design where to install empty conduit crossings and per plan.
- 5.9 Shoreline will provide temporary construction lighting as necessary during construction.

Sect. 6 Financial

- 6.1 City Light will reimburse Shoreline for electrical conversion design related costs, a proportionate share of the joint trench and other appropriate construction costs, and proportionate share of construction management costs. Upon project completion, City Light will recover project costs from Shoreline ratepayers. All requests for reimbursement must have itemized backup and will be sent to:

Seattle City Light
Accounts Payable
PO Box 34023
Seattle, WA 98124-4023

- 6.2 City Light will process payment requests and issue a check payable to Shoreline within 60 calendar days of receiving the request.
- 6.3 Design Costs: Shoreline will submit monthly payment requests for electrical conversion design related costs to City Light upon approval of said work by North Service Center Design Distribution. City Light will provide a semi-annual statement to Shoreline of City Light's design/project costs that will ultimately be charged to Shoreline ratepayers.
- 6.4 Construction Costs: The "Contract Amount" reimbursable to Shoreline by City Light is based on the contractor's bid that is subject to City Light review. The Contract Amount will be comprised of proportional share of the joint trench, mobilization, traffic control, surveying, potholing, and utility conflict resolution. The final Contract Amount is subject to completion of all relevant project work. City Light will reimburse Shoreline for a proportionate share of the Construction Management costs. City Light assumes financial responsibility and agrees to pay for costs it incurs during the design and installation of its electrical facilities.
 - A. As the construction management contract is developed, Shoreline will coordinate with City Light to determine City Light's proportionate reimbursement to Shoreline.
- 6.5 Reimbursement of City Light Costs: The full actual cost of the Electrical Conversion construction costs shall be borne by Shoreline ratepayers.
 - A. The Electrical Conversion costs assessed to Shoreline ratepayers will be reduced by a credit for the estimated cost of overhead relocation of the same

facilities under a uniform billing policy of City Light applicable to all jurisdictions including the City of Seattle when its facilities are required to be relocated for road construction projects. City Light's engineer shall develop a detailed estimate for the overhead relocation credit based upon the scope of the work involved and the time of project completion.

- B. City Light may recover the Electrical Conversion costs from its customers in the City of Shoreline through an increment to the rates City Light charges to Shoreline customers. The increment increase to Shoreline rates shall be sufficient to reimburse City Light for pertinent project costs less the credit, plus interest at City Light's long-term borrowing rate over a 25-year period. City Light will inform Shoreline officials regarding the impact for project costs to the rate structure customers in Shoreline in accordance with the terms and conditions of the Franchise Agreement.
- C. If Shoreline terminates electrical service from City Light or the number of customers within Shoreline's territory materially reduces prior to the collection of incremental Shoreline rate revenues sufficient to repay net City Light project costs, Shoreline will provide City Light a lump sum payment for any outstanding balance & interest owed at the time of such termination or reduction in customers.

6.6 Streetlights:

- A. At Shoreline's expense, City Light agrees to maintain and operate the Street and Pedestrian Lighting System, provided that the lights and poles chosen by Shoreline to be installed are those routinely included in City Light's inventory. If, however, Shoreline chooses lights and poles that are not a part of City Light's normal inventory, City Light agrees to perform maintenance labor if and only if Shoreline agrees to purchase, store and make readily available to City Light the necessary parts and supplies required by such non-standard lights and poles.
- B. All the payments for the final connection to the lights and the traffic signals shall be coordinated through the appropriate City Light North Service Center electric service representative, at 206.684.4983. The final connection costs will not be billed to this project and it will be billed to Shoreline directly.

Sect. 7 INDEMNIFICATION AND HOLD HARMLESS

- 7.1 To the extent authorized by law, Shoreline will protect, defend, indemnify and hold harmless the City of Seattle from any and all costs, attorney fees, claims, demands, lawsuits judgments, recoveries and/or awards of damages (both to persons and property)(collectively "Claims and Litigation"), arising out of, or in any way resulting from the actions or inactions of Shoreline, its contractors, subcontractors, employees and authorized agents on (1) the Project; and (2) Shoreline's responsibilities outlined in this Agreement. Shoreline shall not be required to indemnify, defend or save harmless City Light if the Claims and Litigation asserted is caused by the sole negligence of City Light. City Light shall give Shoreline prompt notice of any Claims and Litigation of which it is aware. Shoreline shall promptly assume responsibility for the Claims and Litigation and/or undertake the

defense of any litigation or action on behalf of the City Light. City Light shall cooperate fully with Shoreline in the defense of any claim, litigation or action.

- 7.2 As to any claims, demands, suits and judgments as are proximately caused by the negligent acts or omissions of the officers, employees and agents of Shoreline, Shoreline agrees to waive any immunity under Washington's Industrial Insurance Act, RCW Title 51, with respect to City Light, but only to the extent necessary to provide the intended indemnity stated above. Shoreline specifically acknowledges that the indemnification and waiver provisions of this section were specifically negotiated and agreed upon by them.
- 7.3 No liability shall attach to either party by reason of entering into this Agreement except as expressly provided herein.
- 7.4 The indemnification provisions herein shall survive the termination of this Agreement.

Sect. 8 INSURANCE

- 8.1 Shoreline shall require that its contractors:
 - A. Maintain Commercial General Liability (CGL) and Automobile Liability insurance in force at all times during the performance of work under this Agreement per Washington State Department of Transportation requirements and state law.
 - B. Include the City of Seattle as an additional insured for primary and non-contributory limits of liability for the full valid and collectible limits of liability maintained by the contractor, whether such limits are primary, excess, contingent or otherwise; as respects CGL insurance, such additional insured status shall be provided under the ISO form CG 20 26 11 85 or equivalent that shall provide coverage for date of occurrence rather than date of claim.
 - C. Furnish certification of insurance evidencing compliance with the provisions of this Section 9.2, including an actual copy of the additional insured language to the CGL policy; such certification shall be delivered electronically to City Light at fax number (206) 470-1279 or as an email attachment to riskmanagement@seattle.gov.

Sect. 9 OWNERSHIP OF IMPROVEMENTS

- 9.1 Upon completion of the Civil Infrastructure work and upon City Light's acceptance as outlined herein, Shoreline shall transfer ownership of all improvements and facilities constructed to City Light, shall warrant good title to each and every City Light facility constructed by Shoreline, and shall convey all right, title and interest it may have in any City Light facility to City Light.
- 9.2 In addition, for any design, permitting or construction arising out of the Electrical Conversion portion of the Project undertaken by Shoreline, Shoreline shall:


- A. Upon substantial completion of the project, assign to City Light any and all enforcement rights for deficient design, construction, equipment, materials and/or other items in any and all contracts arising out of or associated with the design, permitting and construction of the relocated City Light infrastructure;
- B. In the event necessary under any of the contracts arising out of or associated with the design, permitting or construction of the relocated City Light infrastructure, obtain the necessary permission from the other contracting party(ies) for the assignment of such enforcement contract rights to City Light; and
- C. Procure payment and performance bonds and insurance for the utility relocation projects in amounts, coverages and forms acceptable to City Light so long as the requirements do not conflict with Washington State Department of Transportation Standard Specifications.

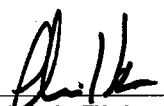
Sect. 10 Third Party Beneficiary and Warranties

10.1 Shoreline shall require that the contracts between Shoreline and its contractors, and each of their sub-contractors performing Shoreline's work contemplated by this Agreement, include the following:

- A. With respect to Electrical Conversion portion of the Project, Shoreline will include City Light as an intended third party beneficiary in its contract with its Contractor(s) and will accordingly include City Light in the indemnification provisions contained in Shoreline's contract. Shoreline and City Light do not intend that this paragraph be interpreted to create any obligation, liability, or benefit to any third party, other than Shoreline and City Light for purposes of design and construction of the City Light infrastructure as described herein; and

EXECUTED, this the 7th day of JULY, 2008.
CITY OF SHORELINE CITY OF SEATTLE


Mark Relph
Shoreline Public Works Director


Chris Heimgartner
Seattle City Light - Officer
Customer Service and Energy Delivery

Approved as to form:

Shoreline City Attorney